GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1844
ANSWERED ON:04.08.2005
SALE OF DIESEL TO PAKISTAN
Chaudhary Shri Pankaj

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Union Government has made an offer to Pakistan for supplying diesel at low rates;

(b) if so, the details thereof; and

(c) the justification for supplying diesel to Pakistan at low rates when the diesel prices in the country are high?

Answer

MINISTER OF PETROLEUM & NATURAL GAS AND PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) to (c): The Pakistan State Oil Company had requested Indian Oil Corporation Ltd. to submit an indicative price for supply of diesel on delivered basis at Lahore, Jhelum & Karachi. Indian Oil Corporation have submitted a non-binding offer for the supply of 3,25,000 MT of diesel during the period October 2005 to March, 2006. The prices offered by IOCL are on the basis of international quotes and commercial considerations. As regards prices, normally, export of products is based on international competitive bidding, demand-supply position, available sources of supply, development of long term markets and other strategic considerations and therefore, has no direct correlation with domestic prices of sensitive products. However, the export could materialize only if diesel is removed from the negative list of importable items from India into Pakistan.